



Offering Memorandum

# Sapphire Crest

823 Lagoon Ave. Wilmington, CA 90744

Multifamily Investment Opportunity

For Sale

PROPERTY WEBSITE

[lucrumre.com](http://lucrumre.com)



EQUITY  
UNION  
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Sapphire Crest

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Sapphire Crest

## 01. PROPERTY OVERVIEW





# Sapphire Crest

## Property Overview

Street Address:	823 Lagoon Ave.
City:	Wilmington
State:	California
Zip Code:	90744
APN:	7416-025-027
Rentable Square Feet:	± 5,301 SF
Lot Size:	± 7,512 SF
Year Built:	1965
Number of Units:	7
Number of Buildings:	1
Number of Stories:	2
Water:	Master-Metered
Electric:	Individually-Metered
Gas:	Individually-Metered
Construction:	Wood-Frame
Roof:	Flat
Parking:	7 Spaces
Zoning:	LARD1.5
Unit Mix:	(4) 1 Bed/1 Bath   (1) 2 Beds/1 Bath (2) 2 Beds/1.5 Bath Townhomes





# Sapphire Crest



## Property Description

Lucrum is proud to present The Sapphire Crest a stunning 2 story, 7-unit multifamily investment property located at 823 Lagoon Ave. Wilmington, CA. This garden-style apartment building boasts curb appeal, totals  $\pm 5,301$  building square feet on a  $\pm 7,512$  square foot lot and is zoned LARD1.5.

The property was built in 1965 and tastefully renovated in 2023, including a remodel of all interior units, a new roof, windows, and drought-tolerant landscaping. In addition, all the electrical sub-panels are new and recently installed in May 2024. The unit mix is comprised of 4 one-bedroom/one-bath units, 1 two-bedroom/two-bath unit, and 2 two-bedroom/one and one half-bath townhome-style units. These well-appointed apartment units include wall A/C units, new flooring, kitchens, bathrooms, and plenty of cabinet and storage space. In addition, drawings have been completed for an ADU comprised of 1 two-bedroom/two-bath unit totaling  $\pm 760$  square feet. The building construction is comprised of a wood frame and stucco exterior with brick accents, a flat roof, and a freshly painted exterior. The property is separately metered for gas & electricity. Building amenities include laundry room and garage parking for 7 cars on-site via 2 two-car garages and 3 one-car garages.





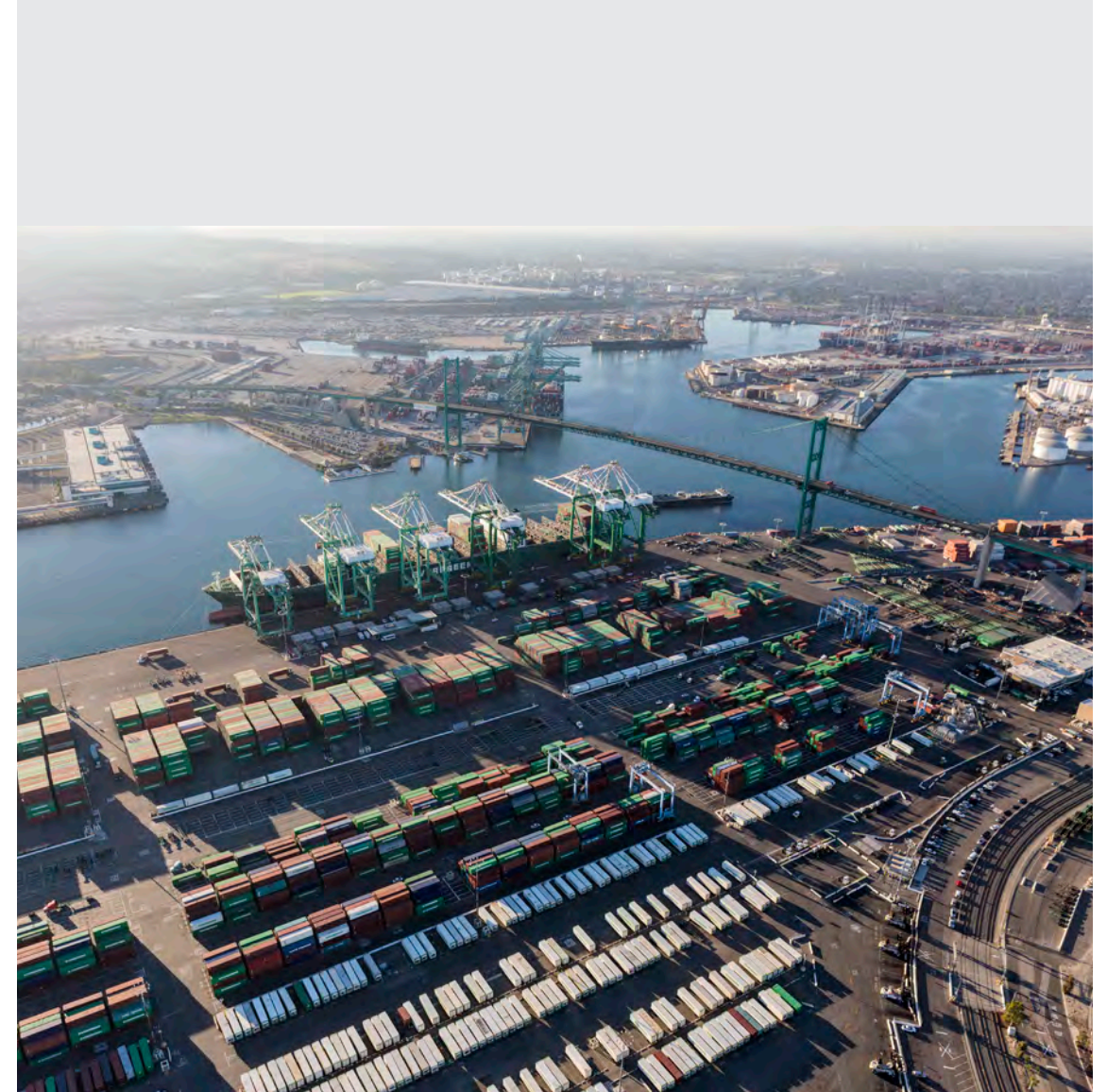
This investment opportunity presents an ideal turnkey, high-income -producing asset with stabilized rents, a 6.46% cap rate, and attractive day-1 cash flow for an investor looking to acquire a low-maintenance stabilized asset.

Aesthetically, the property gushes with pride of ownership, charm and offers some of the nicest apartment rentals in Wilmington for a few lucky tenants to be proud to call their home.

## Location Description

The Sapphire Crest is ideally located in a desirable residential community of Wilmington within Los Angeles County, offering residents easy access to a host of amenities and nearby cities. Situated near cities like Long Beach, San Pedro, Carson, Torrance, and Lakewood, this property benefits from a convenient location within proximity to various shopping centers, restaurants, entertainment venues, and recreational facilities. The building is a short distance drive to the 110 and 1 Freeways. It is a roughly 15-minute drive to Long Beach Harbor and the Queen Mary. Nearby destinations include Los Angeles Harbor College and Ken Malloy Harbor Regional Park, which is approximately one and a half miles away for residents to enjoy some recreation time.

The property itself boasts a 98 Walk Score and 86 Bike Score as it is near many stores and restaurants.







# Sapphire Crest

## Property Highlights

- + Attractive 6.46% cap rate | 9.85 GRM | excellent loan to value
- + HACLA's Section 8 Voucher Payment Standard: \$2,407 for a 1-bedroom, \$3,052 for a 2-bedroom in this zip code
- + Architectural drawings completed for a 2+2 ADU unit. The unit is not built and the property is being sold only with the drawings
- + Recently renovated apartment building with modern finishes
- + Prime location in the thriving submarket of Wilmington
- + Fully remodeled interiors for all units
- + Diverse unit mix, including one-bedroom, two-bedroom, and townhome-style units
- + New roof, exterior paint, windows, light fixtures, landscaping, and flooring
- + Low maintenance, high-income producing, pride of ownership turnkey asset
- + On-site laundry room and garaged parking







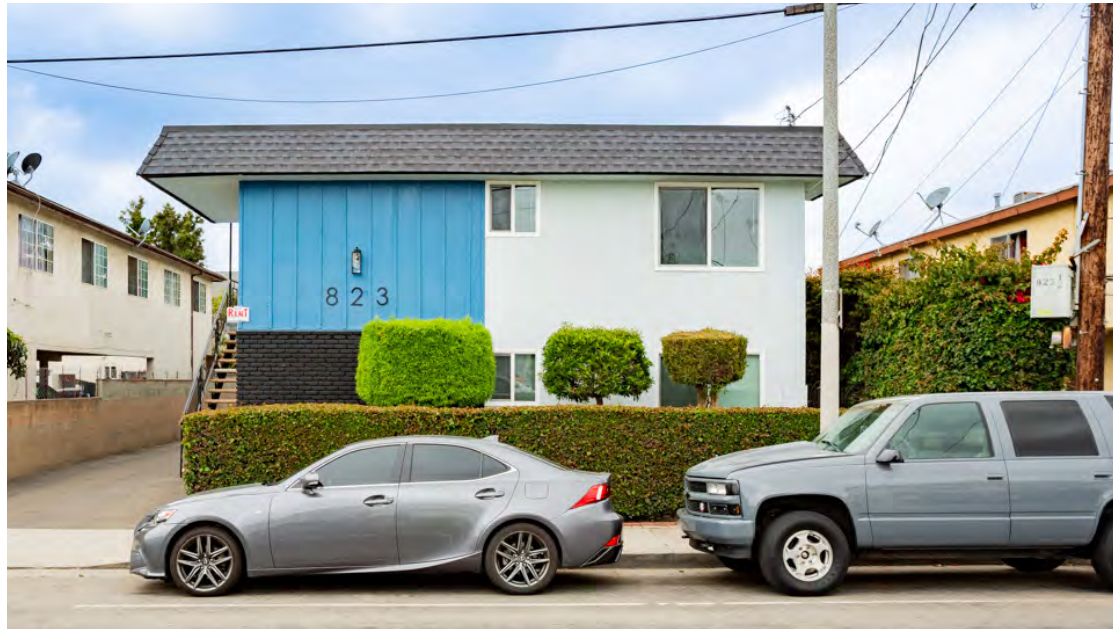
# Sapphire Crest

## Location Highlights

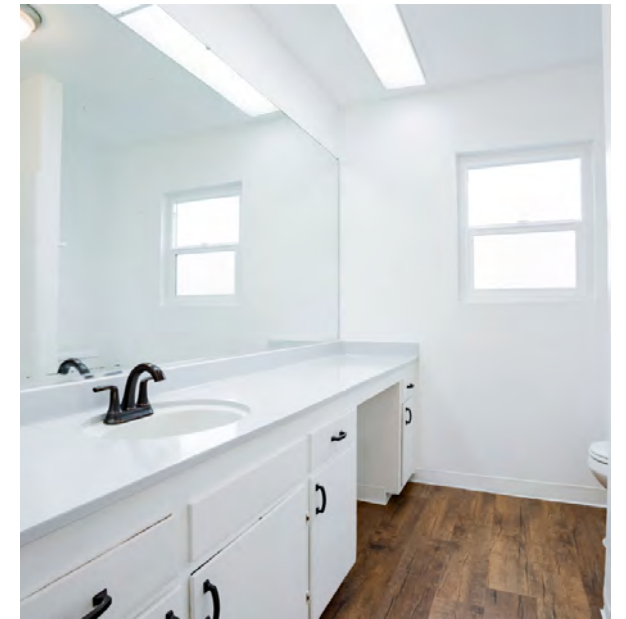
- + Easy Access to Major Freeways such as the I-710 and I-110, allowing for easy commuting and travel throughout the region
- + The area is served by various public transportation options, including bus routes and nearby Metro stations, providing convenient access to different parts of Los Angeles County
- + Easy access to Wilmington train station
- + 98 Walk Score and 86 Bike Score
- + 6.5 miles from the Port of Los Angeles & 8 miles from the Port of Long Beach
- + Ports are linked to 1 of 14 jobs in Greater Los Angeles

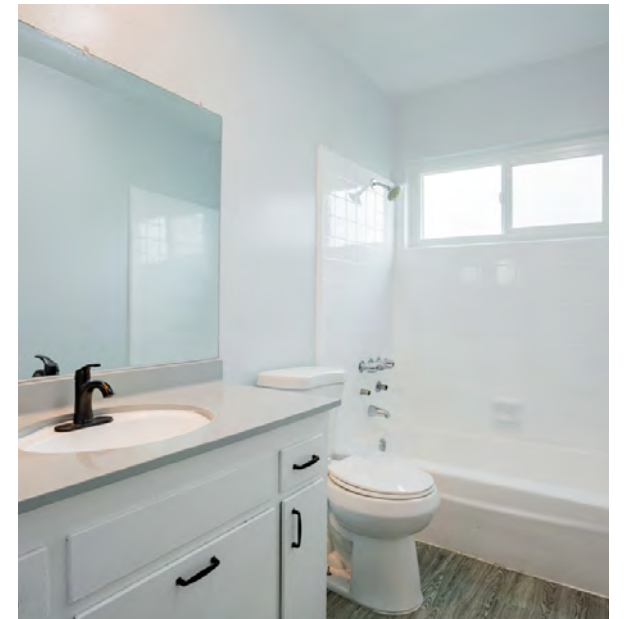










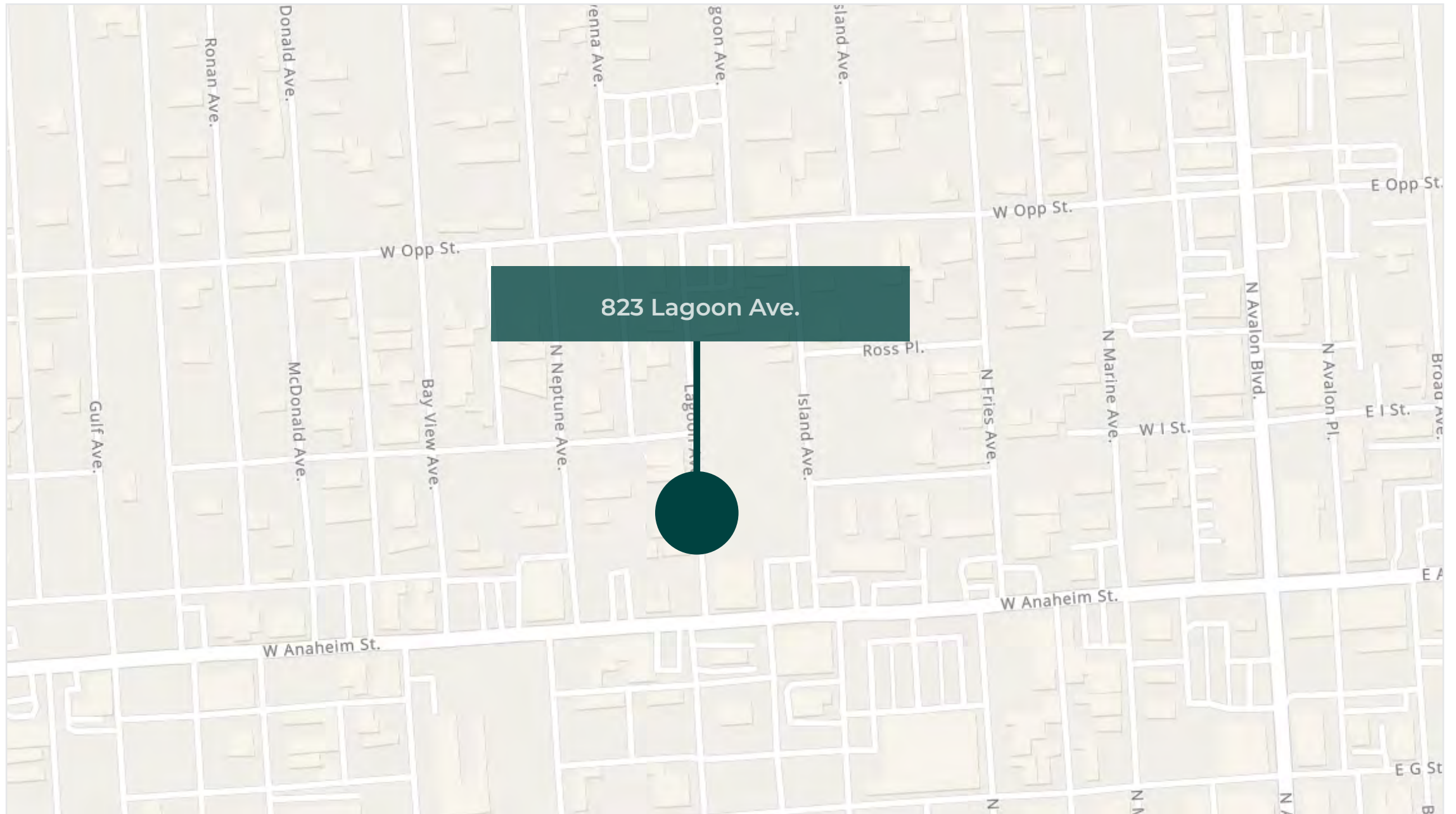








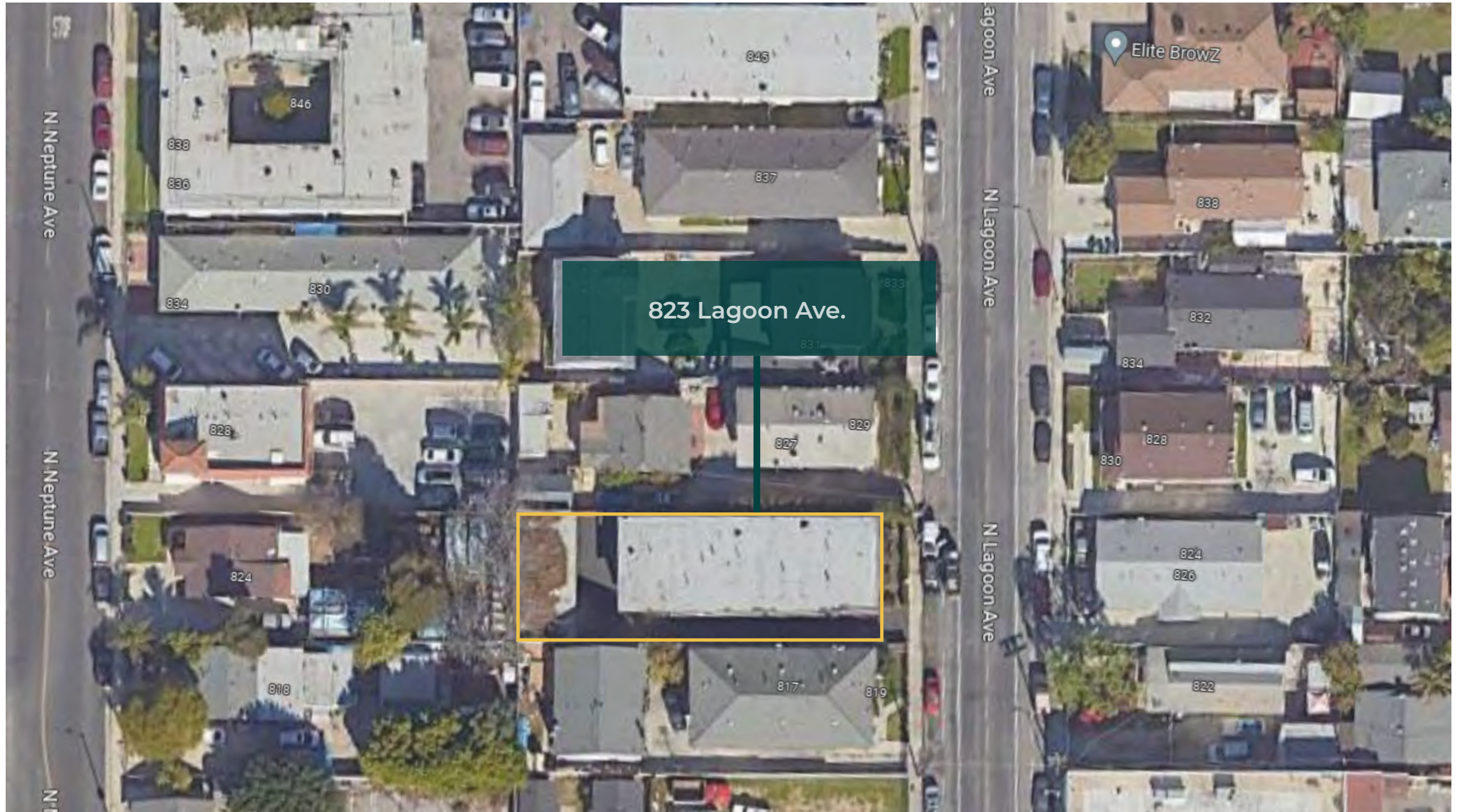
# Street Map







# Satellite Map (3D)







Sapphire Crest

## 02. FINANCIALS





# Financials

## Pricing Details

Price	\$1,795,000	
Number of units	7	
Price per unit	\$256,429	
Price per Square Foot	\$338.62	
Gross Square Footage	± 5,301	
Lot Size	± 7,512 SF	
Year Built	1965	
Returns	Current	Pro Forma
CAP Rate	6.46%	8.75%*
GRM	9.85	7.99*

### Rent Roll Summary

# of Units	Unit Type	Avg Current	Pro Forma
4	1 Bed + 1 Bath	\$1,937	\$1,995
1	2 Beds + 1 Bath	\$2,450	\$2,495
2	2 + 1.5 TH	\$2,350	\$2,650
1	2 + 2 ADU		\$2,650*

\*Architectural drawings completed for a 2+2 ADU unit. The unit is not built and the property is being sold only with the drawings.





# Financials

## Operating Data

Annual Income		Current	Pro Forma***
Scheduled Gross Income		\$182,232	\$224,568
Less: Vacancy/Deductions	3.00%*	(\$5,467)	3.00%* (\$6,737)
Gross Operating Income		\$176,765	\$217,831
Less: Expenses	33.39%*	(\$60,838)	27.09%* (\$60,838)
Net Operating Income		\$115,927	\$156,993
Less Debt Service		(\$88,060)	(\$88,060)
Pre-Tax Cash Flow	5.01%**	\$27,866	12.39%** \$68,932
Plus Principal Reduction		\$15,524	\$15,524
Total Return Before Taxes	7.80%**	\$43,391	15.18%** \$84,457
<b>Expenses</b>			
Real Estate Taxes			\$22,438
Insurance			\$6,573
Utilities			\$8,610
Rubbish			\$6,875
Maintenance & Repairs			\$5,775
Misc. / Reserves			\$1,750
Off-Site Management			\$8,818
Total Expenses			\$60,838
Per Square Foot			\$11.48
Per Unit			\$8,691.19

\* As a percentage of Scheduled Gross Income.

\*\* As a percentage of Down Payment.

\*\*\*Architectural drawings completed for a 2+2 ADU unit. The unit is not built and the property is being sold only with the drawings.





# Financials

## Rent Roll

#	Unit Type	SF	Rent	Rent Per SF	Pro Forma Rent	Pro Forma Rent Per SF	Note
1	1 Bed/1 Bath	--	\$1,950.00	--	\$1,995.00	--	--
2	2 Beds/1.5 Bath	--	\$2,350.00	--	\$2,650.00	--	Townhouse Style Unit
3	2 Beds/1.5 Bath	--	\$2,350.00	--	\$2,650.00	--	Townhouse Style Unit
4	1 Bed/1 Bath	--	\$1,917.00	--	\$1,995.00	--	Section 8
5	1 Bed/1 Bath	--	\$1,930.00	--	\$1,995.00	--	Section 8
6	1 Bed/1 Bath	--	\$1,950.00	--	\$1,995.00	--	Harbor Interfaith Services
7	2 Beds/1 Bath	--	\$2,450.00	--	\$2,495.00	--	Vacant
8	2 Beds/2 Baths	--	--	--	\$2,650.00*	--	ADU Potential
Totals		--	\$14,897.00	--	\$18,425.00*	--	--

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# Financials Rent Roll

Other Income	--	Monthly Income	--	Pro Forma Income	--	Note
Laundry Income	--	\$214.00	--	\$214.00	--	--
Other Income: Garage	--	\$75.00	--	\$75.00	--	--
Total Other Income	--	\$289.00	--	\$289.00	--	--
Monthly SGI	--	\$15,186.00	--	\$18,714.00*	--	--

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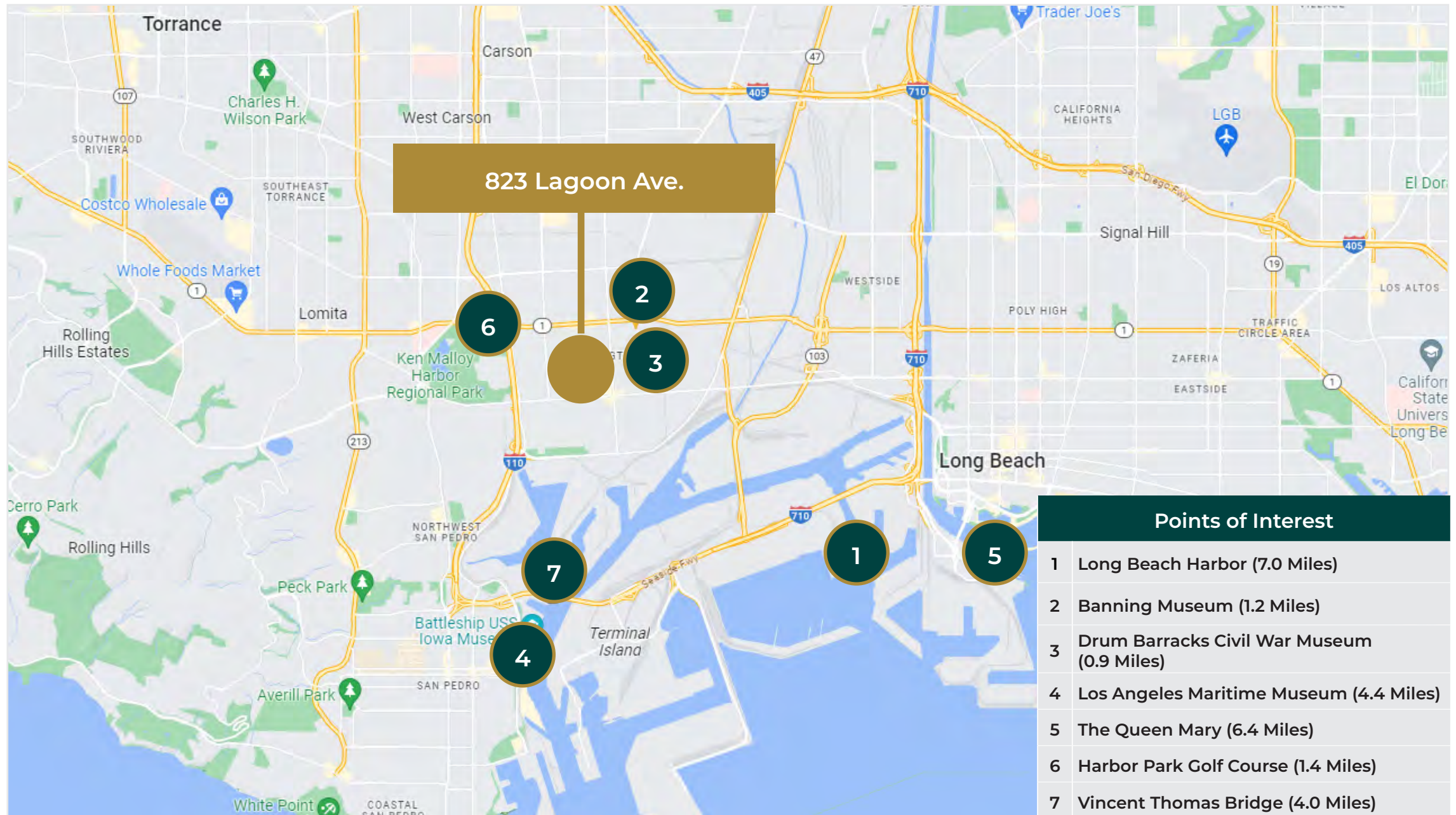
Sapphire Crest

## 03. AREA OVERVIEW





# Points of Interest







# Local Developments



## Avalon Wilmington

This newly constructed apartment complex was completed in 2021, offering modern amenities and high-quality living spaces to residents.



## Pacific Gateway

The Pacific Gateway initiative has been ongoing for several years, with continuous efforts to enhance the Port of Los Angeles and surrounding areas to support economic growth and development.



## Wilmington Waterfront Promenade

This development project began in 2018. It has various phases of construction aimed at revitalizing the Wilmington waterfront area.



# Demographics

## Wilmington, Los Angeles, CA

Wilmington is a vibrant neighborhood located in the southern part of Los Angeles, California. Known for its rich maritime history and diverse community, it offers a variety of attractions and convenient access to nearby transit options. With its historical landmarks, picturesque waterfront, and access to transportation, Wilmington offers visitors and residents diverse range of experiences, blending the charm of its past with the conveniences of the present.

### Quick Facts:

+ Wilmington is home to the Port of Los Angeles, one of the busiest ports in the world. It serves as a major economic center, handling a significant portion of the nation's cargo and international trade.

- + Wilmington is known for its diverse community, with a mix of ethnicities and cultures. The neighborhood has a strong sense of community pride and hosts events and festivals that celebrate its multicultural heritage.
- + Wilmington offers convenient access to public transportation. The neighborhood is served by the Metro Blue Line, which provides easy connections to downtown Los Angeles, Long Beach, and other parts of the city. The proximity to major freeways also allows for easy commuting and travel within the region.



Average Household  
Income

**\$73,967**



Median Age

**31 years old**



2021 Estimated  
Population

**57,030**



Total Households

**14,995**



Bachelors Degree  
or Higher

**38.10%**





## Overview

# Los Angeles, California

The Los Angeles Metro Rail is an urban rail transportation system serving Los Angeles County, California. It consists of six lines, including two subway lines and four light rail lines serving 93 stations. It connects with the Metro Busway bus rapid transit system and also with the Metrolink commuter rail system.



The City of Los Angeles holds many distinctions. L.A. is the entertainment capital of the world, a cultural mecca boasting more than 100 museums, and a paradise of idyllic weather. From tourist attractions like the Walk of Fame's collection of stars (numbering more than 2,614 and growing by one or two a month) to career opportunities like those presented in the expanding tech industry, Los Angeles is the place to be. It is the only city in North America to have hosted the Summer Olympics twice. Downtown L.A. is the largest government center outside of Washington, D. C. Los Angeles has the only remaining wooden lighthouse in the state (located in San Pedro's Point Fermin Park) and the largest historical theater district on the National Register of Historic Places (located Downtown on Broadway).

Los Angeles is on the leading edge of several growth industries. LA County, with more than 87,000 jobs in the fashion industry, has surpassed New York's fashion district workforce. The LA Five-County area also has more than 700,000 people at work in health services / biomedical activities and 190,000 people in aerospace and technology.









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